

BOARD OF GOVERNORS OF CONCORDIA UNIVERSITY

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON
THURSDAY, 15TH OCTOBER, 1981 AT 6:45 P.M. IN THE OASIS ROOM,
CAMPUS CENTRE, LOYOLA CAMPUS

ATTENDANCE: Present were: Mr. G. T. Fisher, Acting Chairman, Dr. M. Anvari, Mr. D. Arfin, in, Mr. M. J. Bourgault, Dr. M. Brian, Dr. J. S. Daniel, Dr. M. S. Dubas, S.J., Prof. C. Gabriel-Lacki, Mr. R. L. Grassby, Mr. R. K. Groome, O.C., Dr. H. Habib, Mr. H. J. Hemens, Chancellor, Mr. S. Huza, Mrs. B. J. Lande, O.C., Mrs. N. Leclaire, Prof. G. Martin, Mr. G. Murray, Dr. J. W. O'Brien, Mr. J. J. Pepper, Dr. T. S. Sankar, Rev. A. Graham, S.J., Secretary.

Absent with apologies: Dr. R. W. Breen, Mr. J. Cahayla, Mr. C. A. Duff, Mr. P. MacDonald, Mr. P. M. McEntyre, Mr. D. W. McNaughton.

Advisory Board: Rev. S. Drummond, S.J.

DOCUMENTS CONSIDERED

BG-81-9-D30	-	Report of Personnel Committee to the Board.
PC-81-8-D28	-	Breen's Report.
PC-81-8-D29	-	Daniel's Report.
BG-81-9-D31	-	Murray's letter to Martin (September 16, 1981).
BG-81-9-D32	-	Martin's reply to Murray (October 8, 1981).
BG-81-9-D33	-	Murray's letter to Martin (September 16, 1981).
BG-81-9-D34	-	Martin's letter to Murray (September 30, 1981).
BG-81-9-D35	-	September Registration Data.

OPEN SESSION

1. Chairman's Remarks

Mr. Fisher repeated his remarks about Mr. McNaughton's absence and added that the wine for dinner had been generously supplied by Schenley Canada Inc.

2. Approval of Minutes

The Chancellor proposed amending the minutes to have the motion, expressing the sympathy of the Board on the death of the Rev. Cyril O'Keefe, S.J., include the fact that Fr. O'Keefe was a former Vice-President Academic of Loyola College as well as Professor of History.

It was moved and seconded (Hemens, Bourgault) and unanimously RESOLVED:

THAT the minutes of the 17th September, 1981 be approved as amended.

3. Business Arising from the Minutes

It was moved and seconded (O'Brien, Hemens) and unanimously RESOLVED:

THAT the resignation of Mr. Alex Duff from the Benefits Committee be accepted.

4. Committee Reports

(1) Ad Hoc Task Force of Vice-Rector Martin on Registration and Course Change

Prof. Martin reported that the Committee had met twice since its formation. No students are participating in the meetings. Advertisements will be placed in the University newspapers asking for comments and input. A report from the Committee will be available in a month or two. In the meantime, steps are being taken to improve the registration and course change in January. Registration for new students will be in December only. Particular difficulties, foreseen for the Commerce Faculty, have been given special attention. There will be two locations for January registration; the mezzanine or Birks Hall are being investigated. The course change period will be extended from five (5) to seven (7) days.

Mr. Murray introduced two visitors attending the Board meeting: Dave Garreau and Bob Cannon. He explained that the students were refusing to take part in the Task Force Registration and Course Change because they were not content with the representation of the Task Force and the scope of the investigation. Mr. Murray thanked Prof. Martin for his prompt reply to the letters he had written (cf. BG-81-9-D31, -D32, -D33, -D34).

He stated that CUSA had studied the topics involved at some length and expressed the opinion that there had been troubles in the registration and admissions area for the past several years. The students have been dissatisfied; they feel strongly that many decisions are made in these areas without due consensus, and that it is important to pinpoint the persons responsible for our present plight. Mr. Murray then distributed a proposed motion that the Board inquire into registration and related processes.

A lengthy discuss followed. The Chancellor insisted that the purpose of the inquiry be more carefully stated. Mr. Fisher underlined the need for

Administration expertise to both the malaise and possible remedies. Dr. Habib commented on the need to have students satisfied with the composition of the Committee and the scope of the inquiry.

He suggested that academic advising would be an appropriate inquiry, for Senate and that the admissions, registration and course change problem could be handled by a Committee of the Board.

Dr. O'Brien pointed out that there are basically two aspects to the problem which are interrelated but distinct: technical organization (Graham Martin's responsibility) and academic advising (the responsibility of the Academic Vice-Rectors). As Rector, the problem of academic advising has been referred to him and he is seeking advice and guidance from the academic officers of the University. He suggested no resolution be proposed on this issue until the November meeting of the Board. It might be appropriate however to establish the suggested Committee relating to the technical organization. Dr. O'Brien emphasized that the questions raised are extremely complex; the Board should not expect to find a Solution in one or two months. What is being suggested is a fundamental examination requiring considerable time. A Board Committee must have "outside" members to counteract possible vested interests within the University. Since a consensus seemed to have been reached, it was moved and seconded (Pepper, Hemens) and unanimously RESOLVED:

THAT the Board of Governors set up a Committee of at least five (5) and not more than seven (7) members, named by the Chairman of the Board, to inquire into admissions, academic advising, registration, late registration and course change.

(2) Fund Procurement Committee

Mr. Bourgault reported that his Committee had met recently and that Mr. Jean de Grandpré had agreed to become honorary Chairman of the Capital Fund Raising Drive to be undertaken by the University. This drive would be for \$18 million. It is expected to begin early in 1982 and take some two to three years to complete. McGill University has agreed to postpone solicitation during this time. It was moved and seconded (Bourgault, Pepper) and unanimously RESOLVED:

THAT Mr. Jean de Grandpré be appointed honorary Chairman of the Capital Fund Raising Committee.

3. Report of Professor Martin

Prof. Martin introduced document BG-81-9-D35, a report on the data of September. He commented that this was a head count of full-time and part-time students, and that some interesting statistics were involved, particularly the increase in the Arts and Science Faculty. He pointed out that registration underlined the severe drop in foreign students; this matter will be investigated further because a continuation of the trend would have serious consequences for the international reputation of the University.

Dr. Dubas introduced a discussion on the nature of the statistics presented, and suggested that a headcount, although suitable for public relations purposes, was not very useful for internal purposes. The Vice-Rector assured him that the computer could produce other kinds of statistics, and that he would be glad to present requested items at future meetings of the Board.

4. Bond Issue

It was moved and seconded (Martin, Bourgault) and unanimously RESOLVED:

THAT the bond issue, approved by the National Assembly of Quebec Order of Council No. 2875-81 given 14th October, 1981, be approved.

WHEREAS in virtue of the Trust Agreement (the "Principal Trust Agreement"), bearing formal date of May third 3rd), Nineteen hundred and seventy-six (1976), granted by the Corporation in favour of Société Nationale de Fiducie, as Trustee, provisions were made for the issue and security by the Corporation, under the Principal Trust Agreement, of Bonds of the Corporation (the "Bonds"), without limit as to the maximum aggregate principal amount at any one time outstanding, whereof the issue of five million dollars (\$5,000,000), principal amount of 10.50% Series "A" Bonds (the "Series "A" Bonds"), dated May third (3rd), Nineteen hundred and seventy-six (1976);

WHEREAS all the five million dollars (\$5,000,000), principal amount, of Series "A" Bonds have been issued and are all outstanding as of the date of these presents;

WHEREAS in virtue of the Supplementary Trust Agreement (the "First Supplementary Trust Agreement"), bearing formal date of May fifteenth (15th), Nineteen hundred and seventy-eight (1978), granted by the Corporation in favour of Société Nationale de Fiducie, as Trustee, provisions were made for the creation and issue by the Corporation, under the Principal Trust Agreement and the First Supplementary Trust Agreement, of three million dollars (\$3,000,000), principal

amount, of 9.50% - 10% Series "B" Bonds (the "Series "B" Bonds"), dated May fifteenth (15th), Nineteen hundred and seventy-eight (1978);

WHEREAS all the three million dollars (\$3,000,000), principal amount, of Series "B" Bonds have been issued, of which two million seven hundred thousand dollars (\$2,700,000), principal amount, are outstanding as of the date of these presents;

WHEREAS no other Bonds have been issued under the terms of the Principal Trust Agreement and the First Supplementary Trust Agreement;

WHEREAS the Corporation intends to create and issue, under the Principal Trust Agreement and the First Supplementary Trust Agreement, FIVE MILLION DOLLARS (\$5,000,000), principal amount, of Additional Bonds, to be designated as "18.50% Series "C" Bonds" (the "Series "C" Bonds"), and to establish the terms and conditions thereof by a Supplementary Trust Agreement (the "Second Supplementary Trust Agreement");

ON MOTION DULY MADE AND SECONDED, IT WAS UNANIMOUSLY RESOLVED:

THAT the creation and issue, pursuant to the provisions Of the Principal Trust Agreement and the First Supplementary Trust Agreement, of five million dollars (\$5,000,000), principal amount, of Additional Bonds to be designated as "18.50" Series "C" Bonds", dated October twenty-sixth (26th), Nineteen hundred and eighty-one (1981), be and is here-by authorized, the whole subject to the terms and conditions of the draft of the Second Supplementary Trust Agreement referred to herein;

THAT the Series "C" Bonds shall be substantially in the forms set out in the First Schedule of the Second Supplementary Trust Agreement; shall be dated as of October twenty-sixth (26th), Nineteen hundred and eighty-one (1981); shall bear interest, as well after as before maturity, at the rate of eighteen and fifty hundredths per centum (18.50%) per annum, from October twenty-sixth (26th), Nineteen hundred and eighty-one (1981), with regard to Coupon Series "C" Bonds, and, with regard to Fully Registered Series "C" Bonds, from October twenty-sixth (26th), Nineteen hundred and eighty-one (1981), or from the date of registration thereof, if it be April twenty-sixth (26th) or October twenty-sixth (26th), and otherwise, from April twenty-sixth (26th) or October twenty-sixth (26th) next preceding the date of registration thereof, payable semi-annually, on the twenty-sixth (26th) day of the months of April and October in each year, the first interest payment date to be April twenty-sixth (26th), Nineteen hundred and eighty-two (1982), together with interest on all overdue interest at: the same rate, computed semi-annually, from its due date until actual payment; shall not be

redeemable prior to maturity; and shall mature on October twenty-sixth (26th), Nineteen hundred and eighty-four (1984);

THAT the Series "C" Bonds shall be issued in the form of Coupon Bonds, registrable as to principal only, in denominations of \$1,000, \$5,000 and \$25,000, and in the form of Fully Registered Bonds, in denominations of multiples of \$1,000, but which must not be less than \$5,000;

THAT Coupon Series "C" Bonds issued in denominations of \$5,000 and \$25,000 may be exchanged at any time, without charge, for an equal aggregate principal amount of Coupon Series "C" Bonds issued in the denomination of \$1,000; that Fully Registered Series "C" Bonds of any authorized denomination may be exchanged at any time, without charge, for an equal aggregate principal amount of Fully Registered Series "C" Bonds of any other authorized denomination; that Fully Registered Series "C" Bonds of any authorized denomination may be exchanged at any time, without charge for an equal aggregate principal amount of Coupon Series Bonds issued in the denomination of \$1,000, subject to three (3) weeks prior written notice from the holder to the Trustee; that, in every case of exchange, the Series "C" Bond or Series "C" Bonds and the coupons, if any, surrendered will be cancelled; that, except as aforesaid, no other exchange of Series "C" Bonds be permitted unless the consent of the Corporation has been obtained;

THAT the payment in principal and interest of the Series "C" Bonds be secured by the cession and the transfer to the Trustee, for the exclusive benefit of the holders of the Series "C" Bonds, of the subsidy in the amount of seven million seven hundred and seventy-five thousand dollars (\$7,775,000) granted to the Corporation in virtue of Order-in-Council 2875-81, dated October 14, 1981, and of all the rights of the Corporation deriving therefrom;

THAT the draft of the Second Supplementary Trust Agreement, supplemental to the Principal Trust Agreement and the First Supplementary Trust Agreement, and bearing formal date of October twenty-sixth (26th), Nineteen hundred and eighty-one (1981), drafted for execution by the Corporation in favour of Société Nationale de Fiducie, as Trustee, for the purpose of providing for the creation and issue of five million dollars (\$5,000,000), principal amount of Series, "C" Bonds, and which has been submitted to this Meeting and examined by it, be and it is hereby approved and that an agreement in the form or substantially in the form of the Second Supplementary Trust Agreement, with such amendments and modifications as the Chancellor or a Vice-Rector or a members of the Board with the Rector and Vice-Chancellor or the Secretary or another member of the Board may deem expedient, as well as all other supplementary agreements to the said Second Supplementary Trust Agreement, to give effect to the latter, if necessary, be executed for and in the name of the Corporation, by the Chancellor or a Vice-

Rector or a member of the Board with the Rector and Vice-Chancellor or the Secretary or another member of the Board, and the Corporations' seal affixed thereto, and that the approval by the Chancellor or a Vice-Rector or a member of the Board with the Rector and Vice-Chancellor or the Secretary or another member of the Board of any amendment or' modification of the Second Supplementary Trust Agreement be proved conclusively by their signature on the said Second Supplementary Trust Agreement;

THAT the Chancellor or a Vice-Rector or a member of the Board with the Rector and Vice-Chancellor or the Secretary or another member of the Board be and they are hereby authorized and required, for and in the name of the Corporation, to sign, execute and deliver all other documents, instruments and writings or to take all such other steps and do all such other things as they may deem In their discretion necessary, desirable or useful for the purposes of giving effect to this resolution and to the Second Supplementary Trust Agreement;

THAT the net proceeds from the sale of the 18.50% Series "C" Bonds and the accrued interest, if any, be remitted to the Trustee to be invested, as the case may be, according to the provisions of Chapter 8 of the Principal Trust Agreement; such net proceeds with accrued Interest, if any, and any interest from such investments by the Trustee must be used by the Corporation, for its benefit, upon remittance to the Trustee of a written requisition in each case of the Chancellor or a Vice-Rector or a member of the Board with the Rector and Vice-Chancellor or the Secretary or another member of the Board and also upon written authorization for each requisition of the ministre de l'Education ou le sous-ministre ou l'un des sous-ministres associés ou l'un des sous-ministres adjoints: ou d'un fonctionnaire du ministère de l'Education dûment autorisés par écrit a cette fin par le ministre de l'Education;

THAT the draft of the Second Supplementary Trust Agreement contain the following provisions:

"The Corporation hereby covenants that, so long as there are Series "C" Bonds outstanding:

- if, after the formal date of the present Supplementary Trust Agreement, it should secure any bond or obligation by mortgage or hypothec or other charge on one or another of its Capital Assets Serving Directly for Educational Purposes, it will give the benefit of the same security, equally and rateably, to the Series "C" Bonds and to all other Bonds, if any, issued and outstanding under the Principal Trust Agreement;

- it will not issue bonds or any other securities (exclusive, however, of any notes or any other evidences of indebtedness in respect of bank loans in the ordinary course of business) if the issue thereof would result in the total amount of Its outstanding bonds and other securities exceeding that of its Tangible Assets.

The following words and expressions, when used in these presents, will have the following meaning:

- "Capital Assets Serving Directly for Educational Purposes" means all the immovable properties owned by the Corporation and appearing under the heading of fixed or capital assets on its balance sheet as drawn up by its auditors in accordance with generally accepted accounting principles, excluding immovable property used as parking lots or student residences, the social centre as well as any other Immovable property of the Corporation used for similar purposes.
- "Tangible Assets" means the higher of the book value before depreciation of all the assets shown on the asset side of the balance sheet or of the market value of such assets (as determined in a manner satisfactory to the Trustee by a professional appraiser, an engineer, an architect or another person knowledgeable in the matter who may be a person in the employment of the Corporation and appointed by the Corporation with the approval of the Trustee) after deducting therefrom the amounts entered in the following asset accounts: goodwill, patents, copyrights, and other intangible or incorporeal assets of an analogous or similar nature, as well as the unamortized balance of all expenses, commissions, premiums or discounts having to do with an issue of bonds or other securities of the Corporation.

Notwithstanding the above-mentioned provisions, the Corporation will be entitled to pledge, give as security, assign, cede and transfer, for the exclusive benefit of the holders of a particular series of bonds or debentures, any subsidy it may obtain from the gouvernement du Québec without having to comply with the foregoing provisions."

5. Correspondence

It was moved and seconded (Dubas, Habib) and unanimously RESOLVED:

THAT the resignation of Mr. John Revay as a member of the Board be accepted with regrets.

6. Date, Time and Place of Next Meeting

The next meeting will take place on Thursday, 19th November, 1981 at 12:00 noon in Room H-762 of the Hall Building, SGW Campus.

7. Adjournment

It was moved and seconded (Hemens, Habib) and unanimously RESOLVED:

THAT the meeting be adjourned at 8:57 p.m.

Aloysius Graham, S.J.,
Secretary